

**TENNESSEE GENERAL ASSEMBLY  
FISCAL REVIEW COMMITTEE**



**FISCAL NOTE**

**HB 1068 - SB 1027**

March 10, 2016

**SUMMARY OF BILL:** Requires all legal notices required by statute to be published in a newspaper of general circulation to be posted on the administrative register webpage within the Secretary of State's website by the entity required to post such notice; and requires the Secretary of State (SOS) to collect a publishing fee of \$50.00 for publishing a legal notice submitted pursuant to the provisions of this bill.

**ESTIMATED FISCAL IMPACT:**

**Increase State Revenue – \$5,000,000**

**Increase State Expenditures – \$24,600**

**Increase Local Expenditures – Exceeds \$1,000,000\***

**Assumptions:**

- The SOS confirms additional electronic resources will be required in order to create and maintain a website that would enable public notices to be posted and displayed to the public.
- The recurring increase in state expenditures for accomplishing a sufficient website is estimated to be \$24,550 (\$14,400 server space + \$10,000 technical support + \$150 SSL certificate).
- SOS estimates 100,000 filings each year.
- Any additional state revenue will be deposited to the General Fund.
- The recurring increase in state revenue to the General Fund is estimated to be \$5,000,000 (100,000 filings x \$50 fee).
- It is reasonable to assume that at least 20 percent or a minimum of 20,000 (100,000 x 0.2) of all legal notices are submitted by local governments. The mandatory and recurring increase in local government expenditures is estimated to exceed \$1,000,000 (\$50 x 20,000).

## **IMPACT TO COMMERCE:**

### **Increase Business Expenditures – \$4,000,000**

#### Assumptions:

- The provisions of the bill will result in a recurring increase in business expenditures for private businesses that will pay the proposed fee for posting legal notices. The recurring increase in business expenditures is estimated to be \$4,000,000 (100,000 x 0.8 x \$50).
- Any impact on the number of jobs across the state will be not significant.

*\*Article II, Section 24 of the Tennessee Constitution provides that: no law of general application shall impose increased expenditure requirements on cities or counties unless the General Assembly shall provide that the state share in the cost.*

## **CERTIFICATION:**

The information contained herein is true and correct to the best of my knowledge.



Krista M. Lee, Executive Director

/dwl